GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1439
ANSWERED ON:28.11.2000
DEMAND SUPPLY OF COAL
DINSHA J. PATEL;PRABHAT KUMAR SAMANTARAY;RAM JEEVAN SINGH

Will the Minister of COAL be pleased to state:

(a) the present production of coal in the country;

(b) the projection made for the production of different grade of coal for the Ninth Plan period;

(c) whether there is gap between demand and supply of coal in the country at present;

(d) if so, the details thereof;

(e) the extent of rise in the import of coal during each of the last three years;

(f) whether gap between demand/supply has been abridged as a result thereof; g) the impact of import of coal on its production; h) whether the Government have taken loan from World Bank and other countries to increase the production of coal; i) if so, the details thereof; and j) the achievements made in increasing the production of coal?

Answer

THE MINISTER OF STATE FOR COAL

(N.T.SHANMUGAM)

(a) Production of coal in the country during the year 1999-2000 was 300.09 million tonnes.

(b) The tentative grade-wise coal production programme in Coal India Limited(CIL) and Singareni Collieries Company Limited(SCCL) for the terminal year of 9th Plan

(2001-2002) is given as under:

COAL INDIA LIMITED, (In million tonnes)

Grade	Target	Grade	Target
(COKING (MET./LW)		NON-COKING	
ST-I	0.25	Gr.A(LF)	2.21
ST-II	0.70	Gr.B(LF)	19.27
W-I	1.80	Gr-C(LF)	30.67
W-II	2.06	Gr-D(LF)	25.03
W-III	4.89	Gr-A	0.53
W-IV	7.20	Gr-B	2.66
S C-1	0.20	Gr-C	7.85
Sub total	17.10	Gr-D	8.32
COKING OTHERS		Gr-E	54.70
W-II	0.20	Gr-F	94.92
W-III	2.74	Gr-G	0.00
W-IV	6.12	Sub-Total	246.15
Sub Total	9.05	CIL-Total	279.00
COKING (NLW)			
NLW-I	0.05		
NLW-III	2.15		
NLW-IV	4.50		
OTHERS(SLV)	0.00		
Sub-Total	6.70		

SINGARENI COLLIERIES COMPANY LIMITED

NON COKING			
Gr-B	0.360	Gr-F	5.530
Gr-C	7.467	Gr-G	0.800
Gr-D	6.333	SCCL-TOTAL	32.38
Gr-E	11.890		

(c)to(g) The country is self-sufficient in power grade coal. There is however paucity of reserves of coking coal and superior grades of non-coking coal.

The details of coal imported into the country during the last three years are given below:

YEAR	TOTAL IMPORT (in million tones)
1997-98	17.21
1998-99	15.64
1999-2000	17.50 (Provisional)

Some consumers like cement plants and thermal power stations located near the coastal regions resort to coal imports mainly on account of quality and because such imports are cheaper at the coastal region.

Steel Plants are importing coking coal to
(i) bridge the gap between requirement and indigenous availability of coking coal of required quality and
(ii) to improve the quality of overall blend for technical reason for improving performance of blast furnaces.

(h) to(j): Coal India Limited entered loanagreements with World Bank(IBRD) and Japan Bank for International Cooperation(JBIC)for financing Coal Sector Rehabilitation Project(CSRP) to improve coalproduction and maintain commercial viability of 24 profitable mines of Coal India Limited. Total loans comprised US$ 1030 million, out of which US$ 522.60 million is being utilised and the balance US$ 507.40 million remaining unutilised.

Coal India Limited itself requested World Bank and JBIC for the cancellation of the balance uncommitted part ofthe loan because of various operational reasons. After taking into account the softening of domestic interest rates and the greater flexibility available by recourse to domestic credit on the strength of its balance sheet, CIL wasof the view that continuing the World Bank / JBIC project finance for the unutilized portion of the loan was not in its best financial interests.

As the balance of convenience lay in agreed cancellation of the balance uncommitted facility of the World Bank and Japan Bank for International Cooperation

(JBIC)loan, CILinitiated appropriate steps for cancellation in consultation with Ministry of Coal and Ministry of Finance. CIL is confident of completing the projects covered by the loan from its own resources.